



JOSEPH KELLY
TREASURER AND TAX COLLECTOR

COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

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July 14, 2015


The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17 July 14, 2015


PATRICK OGAWA
ACTING EXECUTIVE OFFICER

**TREASURER AND TAX COLLECTOR
RECOMMENDATION TO APPROVE AMENDMENT NUMBER ONE
TO CONTRACT NUMBER 77201 WITH NUÑEZ & ASSOCIATES, INC. FOR
CONTINUED BUSINESS LICENSE FIELD INSPECTION SERVICES
(ALL DISTRICTS - 3 VOTES)**

SUBJECT

The Treasurer and Tax Collector (TTC) is recommending approval of Amendment Number One (Amendment) to Contract Number 77201 (Contract) with Nuñez & Associates, Inc. (Nuñez) to extend the current term of the Business License Field Inspection Services Contract on a month-to-month basis for a period not to exceed nine months in order to complete the re-solicitation process.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and instruct the Mayor to sign the attached Amendment to the Contract with Nuñez to extend the Contract Term through May 2, 2016, on a month to month basis to enable the TTC to continue receiving Business License Field Inspection Services, with a maximum Contract Amendment sum not to exceed \$110,000, commencing on August 3, 2015, or the date of the Board of Supervisors' (Board) approval, whichever is later.
2. Delegate authority to the Treasurer and Tax Collector or his designee to terminate the Contract in accordance with the terms defined in the Contract prior to the expiration of the maximum term of this Amendment.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Title 7 of the County of Los Angeles (County) Code requires persons conducting, engaging in, and managing specified types of business activities in the unincorporated areas of the County to obtain a business license and observe certain regulations pertaining to those business activities. The TTC currently contracts with Nuñez, a private agency, to provide field inspection services to determine if businesses have current valid business licenses and are in operational compliance with the County Code requirements. The TTC has contracted for the provision of Business License Field Inspection Services since 1989.

On December 15, 2009, your Board approved a Contract with Nuñez for Business License Field Inspection Services. The Contract is to expire on August 2, 2015. Additional time is necessary for the TTC to conclude the competitive solicitation process. This term extension will allow the TTC to continue receiving Business License Field Inspection Services through the conclusion of the solicitation process.

Implementation of Strategic Plan Goals

The approval of this Amendment is consistent with the Strategic Plan Goal of Operational Effectiveness/Fiscal Sustainability. The recommended Amendment provides for ongoing contractual Business License Field Inspection Services which supports mandated operations of the TTC.

FISCAL IMPACT/FINANCING

The maximum Amendment Contract Sum is \$110,000. Funding is included in the TTC's Fiscal Year 2015-16 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Government Code 31000, the Board is authorized to contract for special services.

On December 15, 2009, your Board approved Contract Number 77201 with Nuñez for Business License Field Inspection Services to commence on February 3, 2010. Pursuant to the delegated authority approved by your Board, the TTC subsequently extended the Contract for four one-year terms from February 3, 2011, through February 2, 2015, and then extended the Contract for six month-to-month extensions from February 3, 2015, through August 2, 2015.

The TTC will not ask Nuñez to perform services that exceed the Contract Sum, scope of work, or go beyond the Term of the Contract extension. The TTC will request Nuñez to notify the TTC when it has incurred 75 percent of the total Contract Sum. The Contract expressly provides that the County does not have an obligation to pay for expenditures by Nuñez that exceed the maximum Contract Sum. Additionally, the Contract contains performance standards, including liquidated damages for substandard and/or non performance.

No layoffs or reductions in County workforce or other adverse impact on employee relations will result from the Amendment, as the work is presently being performed under a Board approved Contract.

The recommended Amendment (Attachment I) contains new required provisions pertaining to compliance with the Cancellation of or Changes in Insurance and Time Off for Voting. The Amendment has been reviewed and approved as to form by County Counsel.

The Contract contains all Board and legally required provisions.

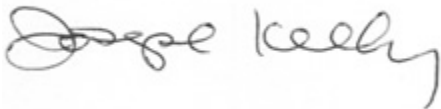
CONTRACTING PROCESS

Approval of the Board letter to extend the Term of the Contract, which will expire on August 2, 2015, will allow the continuation of services until the pending RFP solicitation process concludes. Upon implementation of services by the awarded contractor, the TTC will terminate the existing Business License Field Inspection Services Contract.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the Amendment will ensure uninterrupted Business License Field Inspection Services for the TTC until such time as your Board approves the new Contract.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Joseph Kelly". The signature is fluid and cursive, with the first name "Joseph" written in a larger, more prominent script than the last name "Kelly".

Joseph Kelly

Treasurer and Tax Collector

JK:KK:KG:EVT:

SE:lc:ca

Enclosures

c: Interim Chief Executive Officer
Interim County Counsel
Acting Executive Officer, Board of Supervisors

**AMENDMENT NUMBER ONE
TO CONTRACT NUMBER 77201 FOR
BUSINESS LICENSE FIELD INSPECTION SERVICES**

This Amendment Number One, dated as of July 14, 2015, (together with all Exhibits, Schedules, and Attachments hereto, Amendment Number One) to Contract Number 77201 (as defined below) is entered into by and between the County of Los Angeles (County) and Nuñez & Associates, Inc. (Contractor) to provide Business License Field Inspection Services (BLFIS) based on the following recitals:

WHEREAS, the County and Contractor have entered into that certain Contract Number 77201, dated as of December 15, 2009, (together with all Exhibits, Schedules, and Attachments thereto, all as amended from time to time, Contract) for BLFIS;

WHEREAS, the County has exercised all renewal options and the Contract is currently set to expire on August 2, 2015;

WHEREAS, the County and Contractor desire to extend the Contract on a month-to-month basis up to nine months, while the County completes the solicitation process for a replacement contract;

WHEREAS, the Contractor is willing to continue to provide these services, under the Contract's existing terms and conditions, during the period as extended under this Amendment Number One;

WHEREAS, the County and Contractor desire to amend the Contract to extend the current term of the Contract for continued BLFIS, and to make such other changes described herein, all as further described in, and subject to the terms and conditions of this Amendment Number One;

NOW, THEREFORE, in consideration of the foregoing recitals, all of which are incorporated as part of this Amendment Number One, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor hereby agree as follows:

1. Amendment Number One Effective Date. This Amendment Number One shall be effective as of August 3, 2015, or the date first set forth above, whichever is later, and has been executed by an authorized officer of the Contractor and has been approved by the County's Board of Supervisors (Board).
2. Paragraph 4.0 (Term of Contract). Amend the Contract to restate Subparagraph 4.1 in its entirety as follows:

4.0 TERM OF CONTRACT

- 4.1 This Contract is effective upon the Amendment Number One effective date and shall continue on a month-to-month extension not to exceed nine months for a maximum total Contract Term through May 2, 2016, unless the County provides written notice of non-renewal at least 25

days before the last day of the month, in which case this Contract shall expire as of midnight on the last day of that month. The Exhibit B, Pricing Schedule, applies to this Contract extension and shall remain unchanged.

The County maintains databases that track/monitor Contractor's performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a Contract Term extension option.

3. Subparagraph 7.5.1 (Background and Security Investigations). Amend the Contract to restate Subparagraph 7.5.1 (Background and Security Investigations) in its entirety with the following:

7.5.1 Each of Contractor's staff performing services under this Contract who is in a designated sensitive position, as determined by the County in the County's sole discretion, shall be required to undergo and pass a background investigation to the satisfaction of the County as a condition of beginning and continuing to perform services under this Contract. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include state, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Contractor, regardless if the member of Contractor's staff passes or fails the background investigation.

4. Subparagraph 8.11 (Consideration of Hiring GAIN/GROW Program Participants). Amend the Contract to restate the Subparagraph 8.11 (Consideration of Hiring GAIN/GROW Program Participants) in its entirety with the following:

8.11 CONSIDERATION OF HIRING GAIN/GROW PARTICIPANTS

- 8.11.1 Should the Contractor require additional or replacement personnel after the effective date of this Contract, the Contractor shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that the Contractor will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Contractor. Contractors shall report all job openings with job requirements to: GAINGROW@dpss.lacounty.gov to obtain a list of qualified GAIN/GROW job candidates.
- 8.11.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

5. Subparagraph 8.23 (Indemnification). Amend the Contract to restate Subparagraph 8.23 (Indemnification) in its entirety with the following:

8.23 The Contractor shall indemnify, defend, and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents, and volunteers ("County Indemnitees") from and against any and all liability including, but not limited to, demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from and/or relating to this Contract, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

6. Subparagraph 8.24.4 (Failure to Maintain Insurance). Amend the Contract to restate Subparagraph 8.24.4 (Failure to Maintain Insurance) in its entirety with the following:

8.24.4 Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Contract, upon which the County immediately may withhold payments due to Contractor, and/or suspend or terminate this Contract. The County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

7. New Subparagraph 8.24.15 (Cancellation of or Changes of Insurance). Amend the Contract to add new Subparagraph 8.24.15 (Cancellation of or Changes of Insurance) as follows:

8.24.15 Cancellation of or Changes in Insurance

Contractor shall provide the County with, or Contractor's insurance policies shall contain a provision that the County shall receive written notice of cancellation, or any change in Required Insurance, including insurer, limits of coverage, term of coverage, or policy period. The written notice shall be provided to the County at least ten days in advance of cancellation for non-payment of premium and 30 days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Contract, in the sole discretion of the County, upon which the County may suspend or terminate this Contract.

8. New Subparagraph 8.52 (Time Off for Voting). Amend the Contract to add new Subparagraph 8.52 (Time Off for Voting) as follows:

8.52 TIME OFF FOR VOTING

The Contractor shall notify its employees, and shall require each subcontractor to notify and provide to its employees, information regarding the Time Off for Voting law (Elections Code Section 14000). Not less than ten

9. No Other Amendments; Effect on Contract. Except as expressly provided in this Amendment Number One, all other terms and conditions of the Contract shall remain the same and in full force and effect.

11. Governing Law. This Amendment Number One shall be governed by and construed in accordance with the laws of California State applicable to agreements made and to be performed within California State.

[illegible]

IN WITNESS WHEREOF, the Board of the County has caused this Amendment Number One to be subscribed by its Mayor and the seal of such Board to be affixed and attested by the Acting Executive Officer, and Contractor has caused this Amendment Number One to be subscribed on its behalf by its duly authorized officers, as of the Amendment Number One Effective Date.

COUNTY OF LOS ANGELES

By Mike Antonovich
Mayor, Board of Supervisors

CONTRACTOR

Núñez & Associates, Inc.

By Elena G. Nunez
Signature

ELENA G. NUNEZ

Print Name

PRESIDENT

Title

I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

ATTEST:

PATRICK OGAWA
Acting Executive Officer
Board of Supervisors



PATRICK OGAWA
Acting Executive Officer
Clerk of the Board of Supervisors

By: Lachelle Smithman
Deputy

By: Lachelle Smithman
Deputy

APPROVED AS TO FORM:

Mary C. Wickham
Interim County Counsel

By: Sally Panicker
Deputy County Counsel

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

17

JUL 14 2015

Patrick Ogawa
PATRICK OGAWA
ACTING EXECUTIVE OFFICER